

FAO/NETHERLANDS CONFERENCE ON THE MULTIFUNCTIONAL CHARACTER OF AGRICULTURE AND LAND

Paper Submitted by Argentina on Item 6

The attached report by the Chairman (Mr. Hans Alders) of the FAO/Netherlands Conference on the Multifunctional Character of Agriculture and Land, held in Maastricht, the Netherlands, on 12-17 September 1999, was received from the delegation of Argentina with the request that it be circulated to Members.

I. BACKGROUND

1. The main challenge of agriculture is to achieve the common objective of food security, at the individual, household, national, regional and global levels and the eradication of poverty. To meet this challenge major adjustments are still needed in agricultural, environmental and economic policies, at national, regional and international levels, to create the conditions for sustainable agriculture and rural development.

A. INSTITUTIONAL CONTEXT OF SUSTAINABLE AGRICULTURE AND RURAL DEVELOPMENT

2. In adopting Agenda 21 the United Nations Conference on Environment and Development in Rio de Janeiro in 1992 has, amongst other things, set the framework for integrated land management, sustainable agriculture and rural development. Agenda 21 includes many programme areas with a set of objectives, activities and ways and means, often with target dates and specific actions. The first programme area of the 12 programme areas of Chapter 14 (sustainable agriculture and rural development) is described as: "Agricultural policy review, planning and integrated programmes in the light of the multifunctional aspect of agriculture, particularly with regard to food security and sustainable development".

3. At the third session of the Commission on Sustainable Development (1995) it was concluded: "The Commission noted with concern that, even though some progress was reported, disappointment is widely expressed at the slow progress in moving towards sustainable agriculture and rural development in many countries."

4. Given the fact that more than 800 million people remain hungry and in order to achieve the overall goal of food security for all, the Rome Declaration on World Food Security and the World Food Summit Plan of Action (1996) have established seven commitments with objectives and actions and commitment by all participants to implement them. Commitment 3 reads: "We will pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and practices in high and low potential areas, which are essential to adequate and reliable food supplies at the household, national, regional and global levels, and combat pests, drought and desertification, considering the multifunctional character of agriculture."

5. The Special Session of the United Nations General Assembly in 1997 concluded that while some progress has been made in implementing the commitments of the United Nations Conference on Environment and Development, much remains to be done. To continue efforts to eradicate poverty, improve food security and provide adequate nutrition, the Special Session of the United Nations General Assembly in 1997 asked the formulation of policies promoting sustainable agriculture as well as productivity and profitability, comprehensive rural policies, increase of investments in agricultural research and the continuation of the reform process in conformity with Article 20 of the WTO Agreement on Agriculture, as well as the full implementation of the WTO Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries.

6. The eighth session of the Commission on Sustainable Development (2000) will deal with the economic sector/major group agriculture and forests, including the outcome of the Intergovernmental Forum on Forests; the sectoral theme of integrated planning and management of land resources and the cross-sectoral theme of financial resources, trade and investment and economic growth. For this purpose a further assessment of the implementation of the goals and targets of Chapters 10 and 14 of Agenda 21 and of the World Food Summit Plan of Action is needed.

7. The principal objectives of the Maastricht conference were:

- To review progress, in the context of agriculture and related land-use, towards the principles contained in the Rio Declaration on Environment and Development and Agenda 21: Programme of Action for Sustainable Development.
- To identify the main issues and tools to be addressed, taking into consideration the continuously evolving nature of agriculture and related land-use.

B. SOME CLARIFICATIONS ON THE MULTIFUNCTIONAL CHARACTER OF AGRICULTURE AND LAND

8. All human activities are multifunctional, i.e. they contribute to a varied set of needs and values of society in addition to fulfilling the primary function which is their "*raison d'être*". So does agriculture, whose "*raison d'être*" is to provide food and raw materials for society which is the basis for farmers to earn their living. There are no internationally agreed definitions of the multifunctional character of agriculture. However, as shown above, there exist several internationally agreed references to the term. The reasons to consider the multifunctional character of agriculture and related land-use in this Conference are:

- Agriculture and related land-use contribute through several of its functions to fulfilling Agenda 21, Chapters 10 and 14 (sustainable agriculture and rural development and land), which are to be considered at the eighth session of the Commission on Sustainable Development (2000).
- Agriculture has the capacity to contribute in several ways to welfare. For instance, it is geographically extensive, has a direct impact on nature and the environment and provides the primary food material that ensures humankind subsistence.
- Recent trends towards a more intensive and specialized form of agriculture have successfully increased our ability to feed the world, but, in some cases, at the expense of social and/or environmental goals. In such cases agricultural policy should strive to achieve a more optimal balance between social, environmental and economic objectives.

- Nowadays, the growing attention given to the non-food functions of agriculture has augmented the relevance of policies to address the multifunctional character of agriculture and land within the framework of sustainable agriculture and rural development. In developing those policies participants confirmed the importance of targeted, transparent and cost-effective policies which do not distort production and trade. Furthermore, these policies should contribute to food security.

C. THE WIDER CONTEXT OF THE DISCUSSIONS ON SUSTAINABLE AGRICULTURE AND RURAL DEVELOPMENT

9. The debate on the progress towards the goal of sustainable agriculture and rural development cannot be isolated from important other international debates and instruments. Since 1992 there have been other developments, resulting in the World Trade Organization Agreements. Commitment to Article 20 of the WTO's Agreement on Agriculture was reaffirmed at many occasions (third session of the Commission on Sustainable Development in 1995, the World Food Summit in 1996, the Special Session of the United Nations General Assembly in 1997 and the meeting of the Organization for Economic Cooperation and Development Committee for Agriculture at ministerial level in 1998). Further negotiations are mandated within the World Trade Organization framework. It is also generally acknowledged that policies in one country must not undermine the social, rural, development and environmental objectives in other countries.

10. Furthermore, several of the major environmental conventions, in particular the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change and the Convention to Combat Desertification have direct implications for sustainable agriculture and rural development and strengthen the attention to the environmental impacts, including costs and benefits, and functions of agriculture.

II. SETTING OF THE CONFERENCE OF MAASTRICHT

11. The Conference of Maastricht constitutes an intersessional event in the Commission on Sustainable Development (CSD) process, meant to explore and deepen the understanding and knowledge of sustainable agriculture, rural development and related land-use and to facilitate the decision-making process in other international fora like the CSD and the Food and Agriculture Organization (FAO).

12. In preparation for the Conference, the FAO produced a Stock-taking Paper, an Issues Paper and a set of six background-papers on Agricultural Biodiversity; Bioenergy; Drylands; Environment and Trade; Research and Technology and Water. These papers as well as the case studies presented during the Conference were used as background material for the conference. The International Fund for Agricultural Development and the Netherlands took the initiative to organise a preparatory seminar, which was hosted by South Africa in Johannesburg (5-7 July, 1999). Invited to the seminar were China, Costa Rica, Egypt, France, Indonesia, Mali, Poland, South Africa, the United States and the Netherlands as well as the International Fund for Agricultural Development, the Organization for Economic Cooperation and Development, the United Nations Environmental Programme, the World Bank, the International Agri-Food Network, the International Federation of Agricultural Producers and the Popular Coalition.

13. A series of partnership-based Internet activities were initiated to broaden participation during the process leading to the Conference. A two-phased electronic conference launched in February 1999 involved over 1300 people from 80 countries and contributed significantly to the background documentation and directly to the Conference itself. Building on the interest generated during the electronic conference, the Web Forum was created to combine electronic conferences (a Virtual Maastricht), on-line documentation, a regularly updated website, daily reports during the conference and photographs and real audio clips from Maastricht.

14. The Conference was attended by about 260 participants from more than 100 countries and 30 organizations. The programme included plenary debates on the technical papers and debates on instruments and policies based on the case studies. Furthermore, one day was devoted to field visits. Over 80 delegates participated in the process as chairpersons and rapporteurs of parallel regional groups and as presenter of case studies, making the Conference highly participatory. The reports of the parallel regional groups were made available to the Conference.

III. REVIEWING THE PROGRESS

A. FURTHERING THE IMPLEMENTATION OF SUSTAINABLE AGRICULTURE AND RURAL DEVELOPMENT

15. The participants reaffirmed their commitment to achieving the ultimate goals and targets for sustainable agriculture and rural development and related land-use and food security as identified in Agenda 21 and in the World Food Summit Plan of Action.

16. The participants agreed that the main problem faced by many developing countries remains poverty and food insecurity, which must be tackled in all possible ways, especially by implementing Agenda 21 and the World Food Summit Plan of Action.

17. The participants, through both individual interventions and regional working groups, expressed different perceptions regarding the definition, scope, utility, added value and coverage of the multifunctional character of agriculture. Participants understood that agriculture has multiple objectives and functions within the framework of sustainable agriculture and rural development which through appropriate policies can all foster sustainable agriculture and rural development and which should be targeted, cost-effective, transparent and do no distort production and trade. A coherent analytical framework needs to be developed for measuring the economic, environmental and social costs and benefits of the interlinkages, taking into account the different circumstances in regions and countries and within countries. This analysis may contribute to a renewed awareness of and reflection on the interlinkages among different aspects of agriculture and could assist in the priority-setting of policies, processes and institutions, synergies and trade-offs involving all stakeholders. The participants also indicated the need to take stock of the lessons learned.

18. The participants agreed that the work done in preparation of the Conference shows that many examples now exist demonstrating successful ways of implementing sustainable agriculture and rural development.

19. Multiple costs and benefits derived from agriculture and related land-use are occurring at a range of scales: from farm to community, to national, to regional and to international levels. The participants stressed that there is a need for continued international cooperation to assist developing countries, in particular the least-developed and small island developing countries, to provide an adequate enabling environment for the basic requirements for agriculture, especially in the field of access to results of agricultural research and technology. In this respect it was stressed that attention to the opportunities offered by a more explicit and systematic attention to the multiple functions of agriculture and land should not detract from, but could intensify, the full implementation of Agenda 21. At the regional level, the participants stressed the need for an intensified cooperation between the regions in the world in achieving sustainable agriculture, especially in the field of institution building, information sharing, technology transfer, capacity building and market access. At the national level appropriate policies in support of food security, land tenure security, land and water conservation and rural development are important elements for sustainability.

20. The participants stressed the need for a fair and market-oriented agricultural trading system and the avoidance of unjustifiable trade barriers, which together with other policies will facilitate the further integration of agricultural and environmental policies so as to make them mutually supportive.

21. In this perspective they underlined the necessity to make every effort to ensure that policy measures do not unfairly limit market access nor distort markets for food and agricultural exports. This is especially important for developing countries for their development and implementation of sustainable agricultural policies.

22. In this respect the participants referred to Earth Summit + 5 (Special Session of the United Nations General Assembly in 1997): "The special and differential treatment for developing countries, especially the least developed countries, and the other commitments of the Uruguay Round of multilateral trade negotiations should be fully implemented to enable those countries to benefit from the international trading system, while conserving the environment. There is a need for continuing the elimination of discriminatory and protectionist practices in international trade relations, which will have the effect of improving access for the export of developing countries."

B. INSTRUMENTS

23. The participants appreciated the case studies presented during the Conference and included in the documents prepared for the Conference as an important contribution to understanding and furthering the progress towards sustainable agriculture and rural development.

24. The participants identified the following conclusions:

- Active participation and leadership by rural communities is fundamental to achieving sustainable agriculture and rural development;
- the progressive emergence of cooperation among local and national institutions of farmers' associations, farmers' cooperatives, community groups, non-governmental organizations, the private sector and government agencies are a promising means of collectively addressing concerns about agriculture and land-use;
- an enabling national policy environment is necessary, but in many social and economic contexts, developing and implementing effective policies remains a major challenge;
- efficient and transparent flow of information, between all levels, from the individual, rural land user to international bodies and institutions, is essential in order to promote participation and ownership in innovation;
- there must be a wide availability of applied research results and locally relevant, adaptable scientific and technical information on agriculture and natural resources;
- there must be improvements in economic instruments, including rural credit and savings institutions, tools for valuation of the range of functions of agriculture, and longer-term assessments and perspectives for investment;
- the need to address the insecure access to land and land tenure issues without which farmers are discouraged to invest in methods which have the potential of improving not only their socio-economic conditions but also their interest in the implementation of sustainable agriculture and land-use;
- besides access to and control over land and other forms of property, other identified instruments and enabling factors were credit, inheritance, education, gender issues, technology for enhanced productivity, impact on urban migration, enhanced health and eradication of poverty; and
- capacity building is an important enabling factor in sustainable development, together with the mobilization of all stakeholders.

IV. IDENTIFYING THE ISSUES FOR FUTURE ACTION

25. The ever growing number of case studies on sustainable agriculture and rural development need a more systematical analysis to extract lessons learned in view of achieving sustainable agriculture and rural development.

26. Effective ways of monitoring, evaluating and assessing progress towards, as well as constraints to sustainable agriculture and rural development are necessary, for example the development of indicators and cost-benefit analysis.

27. The participants stressed that the implementation of Agenda 21 and the World Food Summit Plan of Action can be furthered by establishing an agricultural network consisting of, *inter alia*, research, training and capacity building and extension services as well as financial resources. It integrates the policy and institutional circumstances at the local and national level, the suitable planning and management factors, research and development as well as information, communication, education factors and stakeholders consultative mechanisms. It is a tailor-made process, which takes into account the interdependencies between the different levels (local, national, regional and international), between economic factors and sectors and between different policies.

28. The participants highlighted an open and participatory process as the key to a successful implementation of Agenda 21 and the World Food Summit Plan of Action. In order to be truly successful, sustainable development of agriculture and land should receive wide public support. That can only be achieved through a process of open exchange of knowledge. Dialogue is a key element, both at the local and national level. Stakeholders should be identified and brought together in stakeholders' platforms, where practical measures could be discussed and agreed upon with a view to delivering the multiple functions of agriculture and land within the framework of sustainable agriculture and rural development. National governments are encouraged to strengthen existing stakeholders' platforms and the establishment of new ones. In order to make the decision-making structure and process succeed, it is imperative that all relevant parties are involved. Farmers, women, the private sector, local environmental groups, indigenous peoples, agricultural workers and other involved stakeholders must be involved directly. At the national level actors representing stakeholders and actors operating between the government and farmers, at the intermediate level, should also be involved in the decision-making process. Public-private partnerships could become an important instrument for that kind of process.

29. The implementation of Agenda 21 and the World Food Summit Plan of Action should be strengthened. The elaboration of instruments to achieve sustainable development needs to be undertaken at national, regional and international levels, bearing in mind the diverse realities of countries. In this countries, particular attention should be given to least-developed and small island developing states.

(a) National level

30. The participants stressed the need to attach high priority to research, training and extension services and capacity-building, including local and indigenous knowledge. Agricultural research and extension funds should be oriented in such a way that users' demands and sustainability criteria are met and relevant results of research should be promoted with the active participation of farmers. Modern technology should be tailor made for national and local circumstances. An important instrument which the participants highlighted was the establishment of local research and information centers in cooperation with other countries, for example through joint ventures with universities and research centres.

31. The participants noted the important position of women in furthering progress towards sustainable agriculture and rural development. Countries are encouraged to take urgent action to avert

environmental and economic degradation in developing countries that generally affects the lives of women and children in rural areas. With a view to reaching those goals women should be fully involved in decision-making and in the implementation of activities in the field of sustainable agriculture and rural development. Legal, cultural, behavioural, social and economic obstacles to women's full participation in decision-making and in the implementation of sustainable agriculture and rural development should be removed.

32. The participants highlighted the need for an integrated approach to the market for furthering rural development. To improve market access the development of interlinkages between all the stages in the production process from the farmer to the consumer is essential. This process would also include agro-processing activities.

33. The participants underlined the importance of family-based small farm activities for rural development.

34. The participants stressed the importance of ensuring access, especially for women, to productive resources, such as security of land tenure, access to credit, access to diverse seed supplies and wider agricultural biodiversity, organic agriculture and ecological methods of food production, as well as to human resources development such as training and education.

35. The participants noted that progress was made in the implementation of Integrated Pest Management techniques. In furthering progress, practical measures could include farmer's field schools, strengthening of extension systems and enabling policy environments in which representatives of farmers, private sector and government can work together.

36. Furthermore the participants indicated the need to foster markets for non-food outputs of agriculture and the need to work towards market prices that reflect all production costs, including social and environmental costs, to be reflected in the quantification of the contribution of agriculture to sustainability.

(b) Regional level

37. The participants underlined the need for strengthening concrete regional and international cooperation. A possible instrument in such cooperation is the development of partnerships (twinning) between developed and developing countries on a public and/or private basis. Elements of such a partnership are the exchange of knowledge and experience in different areas such as institution building, policy making, knowledge development, capacity building, etc.

(c) International level

38. The participants recalled the reconfirmation at the Special Session of the United Nations General Assembly of the financial commitments and targets for Official Development Assistance, made by industrialized countries at the Earth Summit and called for intensified efforts to reverse the downward trend in Official Development Assistance.

39. The participants underlined the conclusions of the Special Session of the United Nations General Assembly that the international community and governments must continue or increase investments in and funding for sustainable agriculture, especially in agricultural research, extension services and technology transfer. Adequate financial support is needed to implement sustainable agriculture at the local level. Innovative mechanisms of financing could include:

- Capacity building of stakeholders;
- diversifying the composition of rural incomes; and

- public/private partnerships as well as partnerships with the civil society; financial instruments in conformity with international agreements.

40. The participants underscored the development of frameworks to assist countries to undertake participatory land management planning and systems to improve security of land tenure.

V. REPORTING

41. The participants discussed first the character of the report of the meeting and secondly the way of reporting to the Commission on Sustainable Development and the Food and Agricultural Organization. To that effect the Chairman circulated an information note on the process and reporting which is attached as Annex 1. The participants acknowledged the need for further work on several elements within this report at a national, regional and international level. They urged governments and involved international organizations and institutions to discuss the way they can contribute to that. The Chairman's Report was prepared in a transparent and participatory process. The participants considered that the report reflected the discussions at the Conference.

ANNEX 1

INFORMATION NOTE ON THE PROCESS AND REPORTING

1. The final outcome of this Conference will be a Chairman's report, in which the participants of the Conference should recognize themselves. This is the only document resulting directly from the consultative process during the Conference. The process to arrive to this report will be transparent and participatory, drawing from presentations and discussions at plenary and regional level.

2. The outputs from Maastricht in the FAO process will be:

- Information note to the FAO Council and Conference on the process, participants, programme, etc. The Chairman's report will be attached as an annex. Submission date of the document will be 24 September. It will be discussed at the FAO Council in November 1999 who can recommend to elevate its status to a discussion document at the FAO Conference in November 1999;
- FAO Taskmanager's Report to the CSD will contain also (next to the report on Chapters 10 and 14) a summary note on the Maastricht Conference; and
- Technical report on the Maastricht Conference reflecting the discussions, additional cases, etc., from the Maastricht process. Expected to be finalized early 2000 for free distribution to all interested. This report may include a CD-ROM with a database on case studies.

The basis for FAO's reporting can be found in the decision of the FAO Council at its session in June 1999.

3. The Netherlands Government will present the Chairman's report of this conference to the Ad-Hoc Intersessional Working Group on Sectoral Issues in February 2000 and to the Eight Session of the CSD in April/May 2000, and will request that this document be considered as an official document for these meetings. The Netherlands Government will also present the report of this conference to the 116th Session of the FAO Council and the 30th Session of the FAO Conference.
